NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

PAID UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this	day of June	L	, 200	08, by and belween
Gabriel Ledesma and wife,	Suana Yanez	Ledesma	<u></u>	
	Fort Worth	Texas	76119	as Lessor,
hereinabove named as Lessee, but all other provisions (includin 1. In consideration of a cash bonus in hand paid and described land, hereinafter called leased premises:	g the completion of blank sp	aces) were prepar	ed jointly by Lessor an	d Lessee.
ACRES OF LAND, MORE OR LESS,	BEING LOT(S)	45	<u> </u>	, BLOCK
OUT OF THE Denman Subdivision Fort Worth IN VOLUME 791, PAGE	TARRANT COUNTY,		ORDING TO THA	AN ADDITION TO THE CITY OF T CERTAIN PLAT RECORDED RANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing	ing for, developing, produc physical/seismic operations to the above-described lear or adjacent to the above-des supplemental instruments fo	ing and marketing). The term 'gas sed premises, this scribed leased pref or a more complete	oil and gas, along wis as used herein Inc lease also covers acc mises, and, in conside or accurate description	ludes helium, carbon dioxide and other retions and any small strips or parcels of ration of the aforementioned cash bonus, n of the land so covered. For the purpose
2. This lease, which is a "paid-up" lease requiring no rent as long thereafter as oil or gas or other substances covered her otherwise maintained in effect pursuant to the provisions hereof. 3. Royalties on oil, gas and other substances produced separated at Lessee's separator facilities, the royalty shall be Lessor at the wellhead or to Lessor's credit at the oil purchaser the wellhead market price then prevailing in the same field (or prevailing price) for production of similar grade and gravity; (w) of the production, severance, or other excise taxes and the costs inc. Lessee shall have the continuing right to purchase such product no such price then prevailing in the same field, then in the near the same or nearest preceding date as the date on which Lesse more wells on the leased premises or lands pooled therewith ar are waiting on hydraulic fracture stimulation, but such well or we be deemed to be producing in paying quantities for the purpose there from is not being sold by Lessee, then Lessee shall pay Lessor's credit in the depository designated below, on or before while the well or wells are shut-in or production there from is not is being sold by Lessee from another well or wells on the lease following cessation of such operations or production. Lessee's terminate this lease. 4. All shut-in royalty payments under this lease shall be gas and the continuing response to the production there from its not being sold by Lessee shall be gas and the continuing representation.	eby are produced in paying and saved hereunder shall and saved hereunder shall be transportation facilities, p if there is no such price the (b) for gas (including cas proceeds realized by Lesured by Lessee in delivering tion at the prevailing wellherest field in which there is a see commences its purchase e capable of either producing saved in a commence its purchase e capable of either producing saved in a commence in the commence of maintaining this lease, shut-in royalty of one dollar the end of said 90-day per theing sold by Lessee; proved premises or lands pooled failure to properly pay shu	quantities from the be paid by Lessee rovided that Lesse ten prevailing in this paid gas) ar see from the sale g, processing or ot ad market price pauch a prevailing pris hereunder, and (in goil or gas or other the price of the per acre then coriod and thereafter yided that if this less the rewith, no shut-in royalty shall re	to Lessor as follows: —%) of such product e shall have the contin le same field, then in the digital of the substance thereof, less a propital of the production of sin lice) pursuant to compa (c) if at the end of the per substances covered so not being sold by Les of consecutive days subvered by this lease, so nor before each and use is otherwise being ut-in royalty shall be dunder Lessee liable for	(a) For oil and other liquid hydrocarbons ion, to be delivered at Lessee's option to using right to purchase such production at the nearest field in which there is such a es covered hereby, the royalty shall be notionate part of ad valorem taxes and the gas or other substances, provided that hilar quality in the same field (or if there is arable purchase contracts entered into onorimary term or any time thereafter one or hereby in paying quantities or such wells sisee, such well or wells shall nevertheless such well or wells are shut-in or production uch payment to be rnade to Lessor or to niversary of the end of said 90-day period maintained by operations, or if production are until the end of the 90-day period next the amount due, but shall not operate to

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in <u>at lessor's address above</u> or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to account the required payment payment payment payment payments.

payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises a

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stati

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in

The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the elect of relating the lights of enlarging the obligations of tessee half have the elect of the elect of relating the obligations of tessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to

pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery. Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deerned necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or lands produced the partition. except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered when a period of little proving a shall have the prior and preferred right and option to

and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shalf be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

time after said judicial determination to remedy the breach or default and Lessee fails to do so.

For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as heirs, devisees, executors, administrators, successors and assigns,	of the date whether or	e first written abo not this lease ha	ove, but upon executions been executed by al	on shall be binding on the signatory and the signatory parties hereinabove named as Lessor.			
LESSOR (WHETHER ONE OR MORE)				1			
Gabrel Ledesma By: Gabriel Ledesma	<u></u>	$\sum_{\mathbf{B}}$	Juana v: Juana	ledesma Yanez Ledesma			
ACKNOWLEDGMENT							
STATE OF LXaS COUNTY OF Tarrant This instrument was acknowledged before me on the by: Cabriel Ledes ma	ith	_day of	Jine	, 2008,			
MARIA MUNOZ PADILLA Notary Public, State of Texas My Commission Expires October 05, 2011			Notary Public, State Notary's name (print Notary's commission	ed):			
STATE OF LXAS COUNTY OF TATTON+ This instrument was acknowledged before me on the by: Jucyce Yarez Ledes ma	llth	_day of	Jine	, 2008,			
			Maria Notary Public State	Min Padella			

Notary's name (printed):

's commission expires:





DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.

D208231865

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Printed by: MV